GOVERNMENT OF INDIA
URBAN DEVELOPMENT AND POVERTY ALLEVATION
LOK SABHA

UNSTARRED QUESTION NO:1995
ANSWERED ON:04.03.2003
CONVERSION OF LOAN COMPONENT INTO GRANTS
PUTTASWAMY GOWDA

Will the Minister of URBAN DEVELOPMENT AND POVERTY ALLEVATION be pleased to state:

(a) whether the Government of Karnataka has requested the Union Government to convert the loan component into 100% grant under Integrated Development of Small and Medium Towns scheme; and

(b) if so, the reaction of the Union Government thereto?

Answer

MINISTER OF STATE IN THE MINISTRY OF URBAN DEVELOPMENT & POVERTY ALLEVIATION (SHRI PON RADHAKR)

(a)&(b): Yes, Sir. One of the suggestions forwarded by the Government of Karnataka to the Government of India for consideration pertained to conversion of loan component into 100% grant under the Integrated Development of Small & Medium Towns (IDSMT) Scheme. As per the IDSMT guidelines, conversion of loan into grant is not permissible.